

Arab Center for Pharmaceutical
& Chemical Industries Co
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Interim condensed Financial Statements
and Independent Auditor's Report
for the nine months ended September 30, 2025

Arab Center for Pharmaceutical
& Chemical Industries Co
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

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Report on review of interim condensed financial information

To Messrs. Shareholders
Arab Center for Pharmaceutical & Chemical Industries Co
Public Shareholding Company
Amman – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the interim condensed statement of financial position of Arab Center for Pharmaceutical & Chemical Industries Co. (Public Shareholding Company) as at September 30, 2025, and the interim condensed statements of comprehensive income, changes in equity and cash flows for the nine months then ended. Management is responsible for the preparation and fair representation of this interim financial information in accordance with International Accounting Standard IAS (34) "Interim financial reporting". Our responsibility is to express a conclusion about this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement no. (2410) "Review of interim financial information performed by the independent auditor of the entity". A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with International Financial Reporting Standard no. (34) "Interim Financial Reporting".

Significant doubt to continue as a going concern

Without qualifying our opinion, we would like to refer to note (5) in the financial statement that the accumulated losses for the company amounted to JD 8,820,548 as at September 30, 2025 representing 176% of the company's capital, and also as of that date note that the company's current liabilities exceeded its current assets by an amount of JD 2,686,637. These matters cast significant doubt on the company ability to continue as a going concern, and its continuation depends on providing sufficient funds to meet its obligations and the success of its operations in the future. The company submitted an integrated plan to the company's continuity, following are the summaries of the company's plan:

- Ending the dispute with the contractor as quickly as possible, then completing the final stages of the expansion project and starting actual production on the new lines, which will lead to the restoration of traditional markets in addition to opening new markets.

الاتحاد الدولي للمحاسبين (نيويورك)



MEMBER OF THE

FORUM OF FIRMS

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Independent Auditor's Report for the nine months ended September 30, 2025

- The general assembly held an extraordinary meeting dated April 29, 2023 and the following decisions were made:
 - Decrease the company capital by quenching the amount of JD 4,500,000 from the accumulated losses as at December 31, 2021 in the authorized capital and the paid-in capital to become JD 500,000.
 - Extinguish part of accumulated losses through statutory reserves amounting JD 1,138,105.
 - Increase the capital of the company by an amount of JD 4,500,000 to become JD 5,000,000 instead of a JD 500,000 through private subscription and delegate the Board of Directors in this regard.
 - Balance of Mr. Hamzah Tantash amounting JD 2,612,914.
 - Balance of Tantash Group amounting JD 1,529,542.
 - Balance of Mr. Mazen Tantash amounting JD 357,544.

The legal requirements were not completed regarding the decision of extraordinary general assembly till the date of the financial statements report.

Emphasis of matter

- We would like to state that there are restrains on the lands, buildings, vehicles and current accounts at banks, in addition to a restrain on the company's registration as shown in the company's registration certificate issued by the Ministry of Industry and Trade-Companies Control Department.
- We would like to refer to note (3) the project under construction which started on March 2013 is still not complete till date, knowing that the disputes with contractor at arbitration committee to resolve it.



Talal Abu-Ghazaleh & Co. International

Mohammad Al-Azraq
(License #1000)

Amman October 23, 2025

Arab Center for Pharmaceutical
& Chemical Industries Co
Public Shareholding Company
Amman – The Hashemite Kingdom of Jordan

Interim condensed statement of financial position as at September 30, 2025 – (Reviewed and unaudited)

		September 30,2025	December 31,2024
	Notes	(Reviewed and unaudited)	(Audited)
		JD	JD
ASSETS			
Non-current Assets			
Property, plant and equipment	3	4,427,690	4,445,120
Investment in an associate	4	-	-
Investment in financial asset at fair value through other comprehensive income		1	1
Due from related parties		5,542	5,542
Total Non-Current Assets		4,433,233	4,450,663
Current Assets			
Inventory		89,197	83,363
Other debit balances		86,899	91,170
Trade receivables		2,315	1,836
Cash and cash equivalents		-	-
Total Current Assets		178,411	176,369
TOTAL ASSETS		4,611,644	4,627,032
EQUITY AND LIABILITIES			
Equity			
Declared and paid capital		5,000,000	5,000,000
Statutory reserve		1,138,105	1,138,105
Change in fair value of investments in financial assets at fair value through other comprehensive income		(115,457)	(115,457)
Accumulated losses	5	(8,820,548)	(8,829,316)
Deficit in Equity		(2,797,900)	(2,806,668)
Liabilities			
Non Current Liabilities			
Shareholders' payable		4,544,496	4,544,496
Current Liabilities			
Other credit balances		883,046	882,563
Trade payables		414,421	416,443
Due to related parties		1,567,581	1,590,198
Total Current Liabilities		2,865,048	2,889,204
Total Liabilities		7,409,544	7,433,700
TOTAL EQUITY AND LIABILITIES		4,611,644	4,627,032

The accompanying notes constitute an integral part of these financial statements

Arab Center For Pharmaceutical
& Chemical Industries Co
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Interim condensed statement of comprehensive income for the nine months ended September 30, 2025 - (Reviewed and unaudited)

	For the nine months ended on September 30		For the three months ended on September 30	
	2025	2024	2025	2024
	JD	JD	JD	JD
Sales	132,842	138,719	60,917	34,897
Cost of sales	(108,961)	(126,463)	(44,012)	(22,880)
Gross profit	23,881	12,256	16,905	12,017
Other income, net	22,493	15,747	8,852	5,456
Administrative expenses	(37,606)	(40,529)	(10,563)	(9,987)
Profit (Loss)	8,768	(12,526)	15,194	7,486
Weighted average number of shares	5,000,000	5,000,000		
Profit (Loss) per share	JD 0/0018	JD (0/0025)		

The accompanying notes constitute an integral part of these financial statements

Arab Center for Pharmaceutical
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Interim condensed statement of changes in equity for the nine months ended September 30, 2025 - (Reviewed and unaudited)

	Capital	Statutory reserve	Change in fair value of investments in financial assets at fair value through other comprehensive income	Accumulated losses	Deficit
For the nine months ended September 30 ,2025	JD	JD	JD	JD	JD
Balance as at January 1, 2025	5,000,000	1,138,105	(115,457)	(8,829,316)	(2,806,668)
Prpfit	-	-	-	8,768	8,768
Balance as at September 30, 2025	5,000,000	1,138,105	(115,457)	(8,820,548)	(2,797,900)
For the nine months ended September 30 ,2024					
Balance as at January 1, 2024	5,000,000	1,138,105	(115,457)	(8,401,920)	(2,379,272)
Loss	-	-	-	(12,526)	(12,526)
Balance as at September 30, 2024	5,000,000	1,138,105	(115,457)	(8,414,446)	(2,391,798)

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Arab Center for Pharmaceutical
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Interim condensed statement of cash flows for the nine months ended September 30, 2025 –
(Reviewed and unaudited)

	September 30, 2025	September 30, 2024
	JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (Loss)	8,768	(12,526)
Adjustments for :		
Depreciation	17,430	17,552
Change in operating assets and liabilities:		
Inventory	(5,834)	(9,773)
Other debit balances	4,271	(7,455)
Trade receivables	(479)	(7,277)
Other credit balances	483	34,468
Trade payables	(2,022)	(5,115)
Net cash from operating activities	<u>22,617</u>	<u>9,874</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Shareholders payable	-	400
Related parties receivables	(22,617)	2,965
Net cash from financing activities	<u>(22,617)</u>	<u>3,365</u>
Net change in cash and cash equivalents	-	13,239
Cash and cash equivalents - beginning of period	-	17,623
Cash and cash equivalents - end of period	<u>-</u>	<u>30,862</u>

The accompanying notes constitute an integral part of these financial statements

Arab Center For Pharmaceutical
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Notes to the financial statements

1. Legal status and activity

- The Company was established on July 5, 1983 and registered as a public shareholding company with the Ministry of Industry and Trade under the number (185).
- The main Company's activities are as follows:
 - Human liquid medication manufacturing
 - Human pills medication manufacturing
 - Human Suppositories medication manufacturing
 - Veterinarian antibiotics manufacturing
 - Veterinarian antibacterial manufacturing
 - Veterinarian vitamins manufacturing
 - Gelatin capsules manufacturing
- The financial statements were approved by the Board of Directors in its meeting held on. October 22, 2025.

2. Financial statements preparation framework and material accounting policies

- The interim condensed financial information for the company were prepared according to the International Accounting Standard (34) "Interim Financial Reporting".
- Accounting policies used in preparing the interim condensed financial statement are consistent with those policies used in preparing the financial statements for the year ended December 31, 2024.

Arab Center for Pharmaceutical & Chemical Industries Co
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Notes to the financial statements for the nine months ended September 30, 2025

3. Property, plant and equipment

September 30, 2025	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost												
Beginning of period balance	322,476	1,216,723	3,358,832	208,255	114,481	27,007	36,582	200,705	3,660,240	9,145,301		
End of period balance	322,476	1,216,723	3,358,832	208,255	114,481	27,007	36,582	200,705	3,660,240	9,145,301		
Accumulated depreciation												
Beginning of period balance	-	755,630	3,358,133	207,829	114,410	27,002	36,579	200,598	-	4,700,181		
Depreciation	-	17,430	-	-	-	-	-	-	-	17,430		
End of period balance	-	773,060	3,358,133	207,829	114,410	27,002	36,579	200,598	-	4,717,611		
Net	322,476	443,663	699	426	71	5	3	107	3,660,240	4,427,690		
December 31, 2024												
Cost												
Beginning of year balance	322,476	1,216,723	3,358,832	208,255	114,481	27,007	36,582	200,705	3,660,240	9,145,301		
End of year balance	322,476	1,216,723	3,358,832	208,255	114,481	27,007	36,582	200,705	3,660,240	9,145,301		
Accumulated depreciation												
Beginning of year balance	-	732,262	3,358,106	207,771	114,410	27,002	36,579	200,598	-	4,676,728		
Depreciation	-	23,368	27	58	-	-	-	-	-	23,453		
End of year balance	-	755,630	3,358,133	207,829	114,410	27,002	36,579	200,598	-	4,700,181		
Net	322,476	461,093	699	426	71	5	3	107	3,660,240	4,445,120		

(*) Lands, buildings and vehicles are seized against legal cases held at related courts, and is still outstanding as of the date of the financial statements.

(**) Project under construction represent the company's building and facilities development and improvement, in addition to buying machinery and equipment in order to increase the production capacity to replace certain production lines, and to change the factory infrastructure and renovate buildings to bring the factory into line with conditions of the drug production process that's where started on March 2013.

4. Investment in an associate

Company	Country of incorporation	Legal entity	Ownership	Total assets JD	Total liabilities JD	Loss JD	Accumulated losses JD
Middle East Pharmaceutical and chemical Industries and Medical Appliances Company	Jordan	P.L.C	12,85	7,210,811	9,210,060	1,273,321	8,410,183

(*) Movement of investment through the period/year was as the follows:

	September 30, 2025 JD	December 31, 2024 JD
Cost	394,016	51,573
Share of results of associate	(394,016)	(51,573)
Net	-	-

5. Accumulated losses

The company's accumulated losses amounted to JD 8,820,548 which represents 176% of its capital as at September 30, 2025, follows a summary of the company's plan:

- End the conflict with the contractor as soon as possible and then complete the final stages of the expansion project and the start of the actual production process on the new lines, and this leads to re-entry into the traditional markets and opening new markets.
- The general assembly held an extraordinary meeting on March 29, 2023 and the following decisions were made:
 - Decreasing the company's capital by quenching the amount of JD 4,500,000 from the accumulated losses as of December 31, 2021 so the capital and the paid-in capital become JD 500,000.
 - Amortize part of the accumulated losses through statutory reserve amounting to JD 1,138,105.
 - Increase the capital of the company by an amount of JD 4,500, to become JD 5,000,000 instead of JD 500,000 by capitalizing part of the company's liabilities as follows:
 - Balance of Mr. Hamzah Tantash amounting JD 2,612,914.
 - Balance of Tantash Group amounting JD 1,529,542.
 - Balance of Mr. Mazen Tantash amounting JD 357,544.
- The extraordinary meeting of the general assembly decisions has not been executed until the date of the interim condensed statements.

6. The potential effects of economic fluctuations

As a result of the current global conflict, where the entity has taken into account any possible impact of current economic fluctuations in the inputs of future macroeconomic factors when determining the severity and probability of economic scenarios to determine expected credit losses.